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2 June 1986

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: Richard J. Kerr  
Deputy Director for Intelligence

SUBJECT: SIG Meeting on International Affairs Funding for  
1987 chaired by Deputy Secretary of State Whitehead

1. The SIG meeting on 30 May was a general session devoted to a discussion of the major shortfall in funding for the International Affairs budget. The FY '87 request for that budget amounted to [redacted]. The Senate cut it about [redacted] and the House cut it [redacted]. State was trying to get the various organizations involved--particularly those that have a major stake in the budget, i.e, USIA, the Export-Import Bank, State Department itself, and Defense--to 1) recognize the problem and 2) get their principals actively involved in trying to turn Congress around on this issue. [redacted]

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2. There was general agreement in the meeting that the executive branch needed to make a full-court press to convince the Senate to hold at its level (at a minimum) and urge the House to increase its funding. There were two specific actions out of this meeting:

a. State will draft a letter which was requested by Admiral Poindexter outlining the problem and identifying a strategic approach and, at the same time,

b. Heads of agencies and departments are encouraged to take action independently to encourage both the House and Senate to realize the implications of the cuts on the President's foreign policy priorities. [redacted]

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3. It is surprising at this stage in the process that State does not have a comprehensive legislative strategy in hand and a detailed paper assessing the impact of these cuts on the President's program. [redacted]

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4. The next meeting is scheduled for 1600 on Tuesday, 3 June to consider the memo being drafted by State. Unless you have other instructions, I plan to attend this meeting. It may be appropriate during that meeting for me to make some more general comments on the need for a comprehensive statement of the impact of the cuts of this magnitude on the President's program. But I am a little reluctant to get CIA deeply involved in this issue except for helping on the Hill. We obviously want to be as supportive as we can because cuts of the magnitude proposed will have an impact on support for Agency operations overseas.

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Richard J. Kerr

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**Attachment:**

**FY 1987 International Affairs Budget Summary  
dtd 29 May 1986**

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